

January 23, 2008  
Milton, Florida

Present: Chairman Jerry Burden and members Michele Tucker, Chrys Holey, Cindy Cotton, Oakland Ard, Danny Holt, and Kelly Green. Also present were Janice Boone (Housing Program Manager), Erin Lenn (Housing Program Coordinator), and Melissa Welch (Housing Program Coordinator). Guy Stephano (Community Enterprise Investments, Inc.) and Johnny Crawford (Crawford-McBride Development LLC) were also present. The meeting was called to order at 3:02 p.m.

**Cotton moved approval of the minutes from the September 26, 2007 and October 24, 2007 meetings; Ard seconded, and the motion carried unanimously. (7-0)**

#### HHRP Report (Hurricane Housing Recovery Program)

Boone said the HHRP Report was prepared by West Florida Regional Planning Council. She said the County recently took over administration of the SHIP Program. Boone said West Florida Regional Planning Council supplied detailed reports in the past. She said she reduced the reports to summary reports. Boone asked committee members to let her know if more information is needed other than what is supplied in committee member packets. She discussed the HHRP report as of 12/30/2007. Boone said the remaining uncommitted funds as of 12/20/2007 for the Reconstruction Strategy is \$572,000.00 and \$369,000.00 for the Home Purchase Allocation.

#### SHIP Report

Boone said a summary report was provided showing what is available in the trust fund and does not relate to what is committed. She said this summary is provided for three years (2005/2006, 2006/2007/ and 2007/2008). Boone discussed the details of the report.

Burden asked about monies from 2006-2007. He said Boone indicated the County currently has no expenditures under Substantial Rehabilitation. Boone said no commitments. Burden asked Boone if there are projects pending. Boone said there is a waiting list. She said Erin Lenn and Melissa Welch have joined the Housing Program staff. Boone said waiting lists are being worked on as far as projects in line for funding. She said she felt there is ample time to use the money from 2006/2007. She said there is currently \$565,000.00 available, and these funds must be committed to an individual homeowner by June 1, 2008. There was discussion on the anticipated money to be received for the 2007/2008 year.

#### Discussion: SHIP Rule Change Effective 02/21/2008

Boone said information was just received from Tallahassee regarding makeup of the SHIP Housing Committee. She said one of the key changes is that the Florida Statutes will require two additional members on the committee. Boone said these members must consist of an employer in the County and one member from essential services personnel. She said these two members will be in addition to the initial nine members. Boone said the two new positions must be filled by June 30, 2008.

Boone said the second change is submission of a report evaluating established policies, procedures, ordinances, land development regulations, and the local government comprehensive plan. She said this report must be submitted by December 31, 2008, and then every three years thereafter. Boone said this report is an added responsibility.

Burden said he would like to have an interpretation of this report at the next meeting. He said there are concerns raised in the statute. Boone said the language is extensive in some areas depending on the type of activities the State thinks the committee is required to be responsible for. She agreed with Burden and said more information is needed on this rule change. Boone said planning is needed between now and December 2008 to submit the report.

#### Other Business

Burden said he was given several action items prior to the meeting. Boone said her department just took over the Housing Program as of January 2, 2008. She said these action items need to be considered. Boone said the first request involves a recommendation to the Board of County Commissioners for the adoption of a resolution to increase the maximum "sales price" or "value" for residential properties from the current level of \$189,682.00 to \$200,000.00. She said the committee needs to approve this recommendation for compliance reasons. Boone discussed her reasoning for the request.

**Holt recommended increasing the maximum "sales price" or "value" for residential properties from the current level of \$189,682.00 to \$200,000.00; Holley seconded, and the motion carried unanimously. (7-0)**

Cotton asked if the committee is making this request to correct a mistake. Boone said West Florida Planning Council allowed construction to begin prior to having property appraised. She said one of the appraisals came back over the limit; therefore, placing the County in noncompliance. Boone said this request pertains only to HHRP money. She said from now on appraisals will be done prior to construction.

The following actions items were also discussed and voted on for action:

**Ard moved approval of HHRP reallocation of Construction Development funds in the amount of \$300,000.00 relinquished by Community Enterprise Investments, Inc. to the Reconstruction strategy; Tucker seconded, and the motion carried unanimously. (7-0)**

**Cotton moved approval of HHRP reallocation of Emergency Repair funds in the amount of \$72,450.00 relinquished by Rebuild Northwest Florida to the Emergency Repair strategy administered by United Way of Santa Rosa County; Holt seconded, and the motion carried unanimously. (7-0)**

**Ard moved approval of SHIP 2006/2007 Rental Development Strategy commitment to Carlisle Development for Magnolia Crossing, Phase II in the amount of \$75,000.00 be**

**moved to SHIP 2007/2008 Rental Development Strategy with funding estimated to occur in the Fall of 2009; Cotton seconded, and the motion carried unanimously. (7-0)**

**Holt moved approval of SHIP 2006/2007 reallocation from Rental Development Strategy in the amount of \$75,000.00 to the First Time Homebuyer strategy; Holley seconded, and the motion carried unanimously. (7-0)**

Boone said there was an allotment for three properties to be built under the contract for construction development with Crawford-McBride Development LLC. She said the situation she is aware of is the third home has not been delivered. Boone said the committee's consideration is requested on whether or not the third home should move forward. She said funds can be removed for availability and reallocated to other HHRP activities. Boone said this home needs to be addressed since the home is not in place. She asked the committee to hear Mr. Crawford and make a determination. Burden asked if a review is required at this time per the contract. Boone said the review should have been completed nine months after the contract was awarded.

Johnny Crawford said Crawford-McBride Development LLC recently delivered the first two historic district designs into the Bagdad area. He said these modular units were designed based on architecture standards set forth by the Bagdad Architectural Review Board, and in doing so there was a time constraint. Crawford said Crawford-McBride Development LLC realized the real estate market in Santa Rosa County was different than the real estate market in Escambia County during construction of the two homes. He said the two houses in Bagdad are serving as a model home for residents in this area, but the efforts for the third modular home are somewhat different. Crawford said the wishes for the third home are to build a custom home on an individual's lot, and this type of effort will take more time. He said Crawford-McBride Development LLC has several customers through banking partners that are already pre-qualified for loans. Crawford said he would like to keep the third home for a family using the process at the bank and still allow the \$50,000.00 down payment assistance to get them into a home. He said this will allow people to build a custom home in an area they want to live in. Crawford said his hopes are that the committee will allow Crawford-McBride Development LLC to keep the \$50,000.00 and place it towards a third home; he requested the \$50,000.00 be placed back in to the First Time Homebuyer's Program if his request is not possible. He said Crawford-McBride Development LLC would like to keep the \$50,000.00 because he felt the third home can be moved extremely fast for an individual wanting to live in an area of their choice.

Boone said the contract in question calls for Crawford-McBride Development LLC to own the property. She said Crawford-McBride Development LLC must have title of the property for the County to fund the contract. Holt said the market has turned around. He said the money is better served in the First Time Homebuyer's Program.

Crawford said he will relinquish the \$50,000.00 allotted for the third home back into the pool of money for the sake of the community if Crawford-McBride Development LLC is allowed to complete the other two homes with the set aside dollars per the contract.

Boone said Crawford has made an offer to relinquish funds. Burden said an agreement will need to be made with Crawford. Boone said she will get something from Crawford. She asked the committee to reallocate the funds that were relinquished to the First Time Homebuyer Program (Purchase Assistance) or Habitat for Humanity.

**Holt moved approval to reallocate \$50,000.00 from the Construction Development Strategy to the First Time Homebuyer Program (Purchase Assistance); Cotton seconded, and the motion carried unanimously. (7-0)**

Burden personally thanked Crawford for his offer and said the offer is very generous.

#### Information Item

Boone said staff's approach is to serve as many families under the strategies as possible and set the maximum award for each one. She said staff seldom uses two strategies for one client. Boone said the County has a situation where there is a need to meet statutory occupancy requirements in order to get homes sold, especially under Home Construction/Development. She said a technical advisor from the Florida Housing Coalition has suggested the County use the ability they already have to apply multiple strategies to enable the homes to be sold. Boone said the County may consider the use of multiple strategies on a case by case basis in the interest of providing for families and with meeting funding requirements. She said she wants the committee to be aware of this, especially with the homes being marketed by CEII. Boone said the County has to do what is necessary to get the homes sold. Burden asked if the application of these different programs is limited to the houses built under the New Construction Strategy with hurricane dollars. Boone said yes. She said under the housing plan (as it exists today) there is not a current limitation that says "if you apply under one strategy, you may not apply under another." Boone discussed the current written policy and language in the strategies.

Burden asked how many foreclosures the County has where homes were built using SHIP, First Time Homebuyer, or Hurricane dollars. Boone said she has reviewed two files, and there is a new home that just came forward with a Notice of Foreclosure.

Burden said the County has to think this through. He said the County is talking about "piggy backing" programs to help sell homes the County has already subsidized with anticipation the subsidy will be passed to the buyer. Burden said this has not happened. He said the County will be offering additional subsidies to a favorable segment of the market. Boone said there is nothing in place that prohibits use of multiple strategies. Burden said he is aware that there is nothing that prohibits use of multiple strategies, but common sense says "do we want to do it?" Holt agreed. Burden said he felt there should be policies in place to prevent use of multiple strategies. He said he felt the County is opening itself up to providing an unfair market advantage to specific homes over other homes and other realtors. Burden said it is the County's decision but said he is personally opposed to the decision. Boone said the \$50,000.00 is already perceived as an unfair advantage. Cotton said these builders answered Request for Proposals (RFP), and any builder could have done the same.

Walker said the use of multiple strategies will be used as needed by the County for the purpose of selling current units.

#### Next Meeting Date

The next meeting is scheduled for February 27, 2008 at 3:00 p.m. in the Public Services Community Room.

#### Adjourn

There being no further business to come before the committee at this time, the meeting adjourned.